

**MINUTES OF REGULAR MEETING - VIDEO**  
**OPEN SESSION**  
**January 26, 2017**  
**ILLINOIS GAMING BOARD**  
**Chicago, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Thursday, January 26, 2017 a Regular Meeting - Video of the Illinois Gaming Board (“Board”) was held on the 5th floor at 160 N. LaSalle at the Michael J. Bilandic Building, Chicago, Illinois immediately following. Present were the following: Chairman Don Tracy, Members Hector Alejandre and Steve Dolins. Member Thomas Dunn and Member Dee Robinson participated via telephone.

**APPROVAL OF OPEN SESSION MINUTES:**

Member Alejandre moved that the Board approve the open session minutes from its Regular Meeting of December 14, 2016. Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

**CHAIRMAN'S COMMENTS:**

Chairman Tracy commented on the intensity of video gaming and the decline in the riverboat revenue versus video gaming revenue. The Chairman also commented on the expanded cost of regulating video gaming compared to riverboat gaming.

**BOARD POLICY ITEMS**

- Proposed Amendments to Rules 250, 320, and 810; and the Creation of a New Subpart O.

Member Alejandre **moved to amend Video Gaming Rules 250, 320, and 810 and to create a new subpart O of the Board Rules by authorizing staff to submit a proposal for First Notice Filing with the Secretary of State upon final review and approval by the Administrator.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre **moved to amend Video Gaming Rules 320 authorize staff to submit an emergency rule with the Secretary of State upon final review and approval by the Administrator.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

**TERMINAL OPERATOR LICENSEE ITEMS**

**Initial Licenses**

- Sparrow Gaming, Inc.

Member Dolins **moved that the Board issue a Terminal Operator license to Sparrow Gaming, Inc. for a term of one year, expiring in January, 2018, as the applicant has demonstrated its qualifications and suitability for licensure.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

- William S. Stanford III

Member Dolins **moved that the Board deny the Terminal Operator license application of William S. Stanford III d/b/a Stanford Gaming, and authorize the Administrator to issue a notice of denial, as the applicant has failed to demonstrate its qualifications and suitability for licensure.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

#### License Renewals

Member Dolins **moved that the Board renew the following Terminal Operator Licenses for a term of one year, expiring in January 2018:**

- Andy's Video Gaming Co.
- Illinois Gaming Systems, LLC
- Illinois Gold Rush, Inc.
- Illinois Video Slot Management Corp.
- J&J Ventures Gaming, LLC
- JHey Enterprises, LLC
- Midwest SRO, LLC
- Quad Gaming, Inc.

Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre **moved that the Board table consideration of the Terminal Operator License renewal application of Heck Gaming, LLC until the Board's next regular meeting.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

### **MANUFACTURER, DISTRIBUTOR & SUPPLIER LICENSEE ITEMS**

#### Initial Licenses

- AGS, LLC – Distributor, Manufacturer and Supplier Licenses

Member Alejandre **moved that the Board issue a Distributor license, a Manufacturer license and a Supplier license to AGS, LLC, each license to be for a period of one year, expiring in January 2018.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

## **DISASSOCIATION PURSUANT TO BOARD RULE 795**

Member Dolins **moved that the Board issue a notice of disassociation to LZ Entertainment LLC, ordering it to disassociate from Helen A. Fuller-Haynes, said disassociation to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Dolins **moved that the Board issue a notice of disassociation to J&J Ventures Gaming, LLC ordering it to disassociate from Jason L. Smith, said disassociation to become effective 21 days from the date of service of the notice, unless an Answer is properly filed within that timeframe.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

## **TECHNICIAN & TERMINAL HANDLER LICENSEE ITEMS**

### **Initial Terminal Handler Licenses and Technician Licenses - Approvals and Denials**

Member Alejnadre **moved the Board approve 51 Terminal Handler licenses and 1 Technician license, and authorize the Administrator to issue Notices of Denial to:**

1. Thomas R. Stelmaszek; and
2. Karl Mobley, Jr.

Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

### **Renewal of Technicians and Handlers (second motion)**

Member Alejandre **moved to approve the renewal of the licenses of Technicians and Terminal Handlers who were licensed or renewed in January 2016, and who have properly updated their applications, timely paid their annual fees and remained in compliance with the requirements of the Act and the Board's Rules.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

## **VIDEO GAMING LOCATION LICENSEE ITEMS:**

### **Initial Video Gaming Location Licenses - Approvals & Denials**

Member Dolins **moved to approve 196 Video Gaming Establishment Licenses, for a period of one year, expiring in January 2018, and authorize the Administrator to issue Notices of Denial to:**

- **Luxe Group Corporation d/b/a Playbook; and**
- **The Dead Tree Tavern Inc. d/b/a The Dead Tree Tavern**

Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

### **Renewal and Non-Renewal of Locations (second motion)**

Member Dolins **moved to approve the renewal of the Retail Establishments, Truck Stops, Veteran and Fraternal Establishments previously licensed or renewed in January 2016, that have properly updated their applications, timely paid their annual fee, and otherwise maintained compliance with the requirements of the Act and the Board's Rules, and authorize the Administrator to issue a Notice of Non-renewal to The Neighbors at the Ice House, LLC.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

## **ADMINISTRATIVE REQUESTS FOR HEARING, REQUESTS TO REAPPLY**

### **Requests for Hearing**

Member Alejandre **moved that the Board grant the request for hearing submitted by Global Gaming Industries, LLC, since it establishes a *prima facie* case for a hearing.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Alejandre **moved that the Board deny the request for hearing submitted by Aragona Corporation d/b/a the Aragona Club as it has failed to establish a *prima facie* case for hearing.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Dolins **moved that the Board rescind the Establishment License application denial issued at our December 2016 meeting to JEP Inc. d/b/a Hamilton's Pub, deny the request for hearing as moot, and place the applicant back into pending status.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

### **Requests to Reapply**

Member Dolins **moved that the Board grant the request to reapply submitted by Aerie No. 437, Fraternal Order of Eagles, Inc. and Stone Country Saloon, Inc.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

## **DISCIPLINARY ACTIONS**

### **Active Tax Liability and Failure to Meet the Minimum Qualifications for Licensure**

Member Alejandre **moved to issue a Disciplinary Complaint revoking the establishment licenses of:**

- Animik, Inc. d/b/a Barrister's Pizza and Pub;
- South Side Boat Club d/b/a South Side Boat Club;
- Vera Lorraine Mitchell and Joseph Todd Mitchell d/b/a Lowlife's Lounge,
- 4 Shiva, Inc. d/b/a The Oasis

**for having active tax liabilities and not maintaining the minimum qualifications for licensure, said action to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed within that timeframe.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

#### **Active Tax Liability and Failure to Cooperate with Board Agents**

**Member Alejandre moved to issue Disciplinary Complaints revoking the establishment license of the following locations:**

- Kilimanjaro Connection Corporation d/b/a Kilimanjaro Connection Corporation
- DRD Ventures Corp. d/b/a Reilly's Roadhouse
- SANDT Inc. d/b/a Wild Tales Bar & Grill
- Andrew Gosney d/b/a The Speakeasy
- BHB Berwyn, LLC d/b/a BIG HURT BREWHOUSE

**for failing to keep current on their obligations to the state and for failing to cooperate with the Board's efforts to resolve these issues, said actions to take effect 21 days from the date of service of the Complaint, unless an Answer is properly filed by each location within that timeframe.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

#### **Failure to Maintain Valid Liquor License**

**Member Alejandre moved to issue a Disciplinary Complaint revoking the establishment license of the following four (4) locations:**

- B.O.D. Corp. d/b/a Lacey's Place (License #150703728);
- Marjon, Ltd. d/b/a Maggie McGuire's;
- Kim C. Frye d/b/a Bowl-Rite Lanes; **and**
- Sophie's LLC d/b/a Sarah's (License #150701497)

**for operating video gaming terminals without a valid liquor license, said action to take effect 21 days from the date of service of the Complaint, unless a fine equal to the amount of NTI derived at the establishment during the time period the liquor license was not valid is paid or an Answer is properly filed within that timeframe:** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

#### **Improper VGT Play**

**Member Dolins moved to issue a Disciplinary Complaint revoking the Establishment licensees of:**

- Anthos Corporation d/b/a Rusty Nail,
- Peaceful Waters, Inc. d/b/a The Old Bridge Tavern; **and**
- Kishan Inc. d/b/a Marshall Station

**due to the owner's conduct of playing VGTs located in their establishments, this action to take effect 21 days from the date of service, unless a \$2,500 fine is paid or an Answer is properly filed within that timeframe.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

#### **Failure to Disclose Changes in Ownership**

Member Dolins **moved that the Board issue Disciplinary Complaints revoking the establishment licenses of:**

- **J.P.'Z, Inc. d/b/a Z J's Mines; and**
- **ZP Associates, LTD. d/b/a Dwight House**

**for failing to notify the Board of changes in the ownership of the locations, said action to take effect 21 days from the date of service of the Complaints, unless each location pays a \$1,000 fine or properly files an Answer within that timeframe.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Dolins **moved that the Board issue a Disciplinary Complaint revoking the terminal operator license of Awesome Hand Services, LLC for failing to notify the Board of changes in the ownership of a location it services and for obstructing a Board investigation, said action to take effect 21 days from the date of service of the Complaint, unless a \$5,000 fine is paid or an Answer is properly filed within that timeframe.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

#### **Illegal Gambling Activities**

Member Alejandre **moved to issue a Disciplinary Complaint revoking the establishment licenses of:**

- **Gabbert Properties Inc. d/b/a Kirks Korner Tab, and**
- **2000 Meadows Avenue Tap, Inc. d/b/a Meadows Ave Tap**

**for allowing unlawful gambling on premises, said action to take effect 21 days from the date of service of the Complaint, unless a fine of \$2,500 is paid or an Answer is properly filed within that timeframe.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

Member Alejnadre **moved to issue a Disciplinary Complaint revoking the establishment license of Boo's Burgers and Billiards Company d/b/a Boo's Burgers and Billiards Company for permitting illegal gambling on premises and for failing to properly monitor the VGTs at the establishment, said action to take effect 21 days from the date of service of the Complaint, unless a fine of \$5,000 is paid or an Answer is properly filed within that timeframe.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

### **Settlements of Disciplinary Complaints**

Member Dolins **moved that the Board rescind Disciplinary Complaint DC-V-16-105 issued to Hoopers Sports Bar & Grill, Inc. at the November 2016 meeting.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

Member Alejnadre **moved to delegate to the Administrator the authority to enter into a settlement agreement with:**

- **Ronald & Patricia Ponton d/b/a The Loft, and**
- **C.G. S., L.L.C. d/b/a C. G. S., LLC**

**and to administratively dismiss the complaints upon execution of the agreement.** Member Dolins seconded the motion. The motion passed unanimously by roll call vote.

### **RFP FY17 IGB ITL / VIDEO GAMING INDEPENDENT TESTING LABORATORY**

Member Dolins **moved that the Board award RFP FY17 IGB ITL to Gaming Laboratories International LLC, and authorize the Administrator to enter into a contract with Gaming Laboratories International LLC to act as the Independent Test Lab for the Illinois Gaming Board under the Video Gaming Act.** Member Alejandre seconded the motion. The motion passed unanimously by roll call vote.

At 10:19 A.M. Member Dolins motioned to adjourn and Member Alejandre seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta  
Secretary to the Administrator